

*January 30, 2003*

## **Appendix A**

### **The Next Generation Network**

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**Appendix B**  
**Economics of Internet Offload and Voice**

*January 30, 2003*

**Appendix C**  
**Next Generation Call Agents, Softswitches & Network Intelligence**

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**Appendix D**  
**Business Challenge & Opportunities in Tomorrow's Mobile Networks**

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**Appendix E**  
**Rural ILEC Capital Needs Assessment Questionnaire**

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1. What is your ownership structure?
  - a. How long have you been serving your communities?
  - b. Public or private?
  - c. Affiliations with other telephone companies or cooperatives?
  - d. Any special relationship to the community served?
2. What are your current revenues?
  - a. What have been your revenue trends over the last 5 years—  
growing/decreasing?
  - b. Why have your revenues gone up or down?
  - c. Have your operational costs gone up or down in the last 5 years.
  - d. Why?
3. How large is your customer base?
  - a. Access lines?
  - b. Geographic expanse of coverage area? What communities do you serve?  
Are they all “rural?”
  - c. Customers per square mile?
  - d. Is your customer base growing or declining- what has been the trend over  
the last 5 years?
4. Current infrastructure
  - a. How much served by remote switches
  - b. How many digital loop carriers
  - c. How many of your lines are digital?
  - d. How many lines are SS7 ready/provisioned?

5. At a high level, What is your services portfolio?
  - a. Basic Voice
  - b. LD
  - c. VAS—switch based and SS7 based?
  - d. ISDN
  - e. DSL
  - f. Mobile
  - g. ISP
6. What is your customer market mix served?
  - a. What percentage business
  - b. What percentage residential
7. What kind of business services/portfolio do you offer?
  - a. Is there demand for high speed access? For LAN/WAN interconnection services like frame relay, IP VPN?
8. What kind of demand or penetration of broadband access do you have?
  - a. Is it primarily driven by business or residential customers?
  - b. What is the current penetration of broadband residential vs. business?
9. Has the explosion of the internet changed how you do business or affected your network/operations?
10. What kind of activities do you have planned or are in progress for broadband initiatives? Plant upgrade? Marketing/promotional activities? Partnerships with ISPs?
  - a. Are you installing ADSL equipment? If so, what is the biggest issue?

- b. Are your subscriber fees covering your costs if you are providing ADSL services?
  - c. Any next-gen broadband plans like voice over DSL or video services?
  - d. How close is the nearest high speed internet node? Any plans for one coming closer?
  - e. Is the distance of the node (or non existence) an issue for your broadband initiative?
11. What kind of effect has mobile had on your business? Increased traffic?  
Decreased access lines?
12. What is your biggest problem in serving rural communities? Cost to provide service? Decreasing customer base? Making profits?
13. What kind of plans do you have in the future for new services or infrastructure expansion/changes? Are they customer driven? Technologically driven?
- a. Near term (1 year)
  - b. 2-4 years
  - c. 5 years +
14. What are your capital needs for these plans/changes? How do you plan -to fund the changes?
15. How do you currently obtain capital? USF? Private loans? Bonds?
16. What percentage of capital is from what source? What is the preferred source and why?
17. What do you look for in private loans/banks for capital needs?
- a. Low interest rates?

- b. Ease to do business with
- c. ?????